

Office of Administrative Hearings

Overview

Joint Appropriations Subcommittee on General Government

March 1, 2017



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Outline

- Authorizing laws and agency mission
- Organizational Chart
- Budget History and Composition
- Division Responsibilities
- Recent Legislative Actions
- Base Budget

Office of Administrative Hearings

Statutory Authorization:

- Article 60 of G.S. 7A-750

Administers:

- G.S. 150B (Administrative Procedure Act)

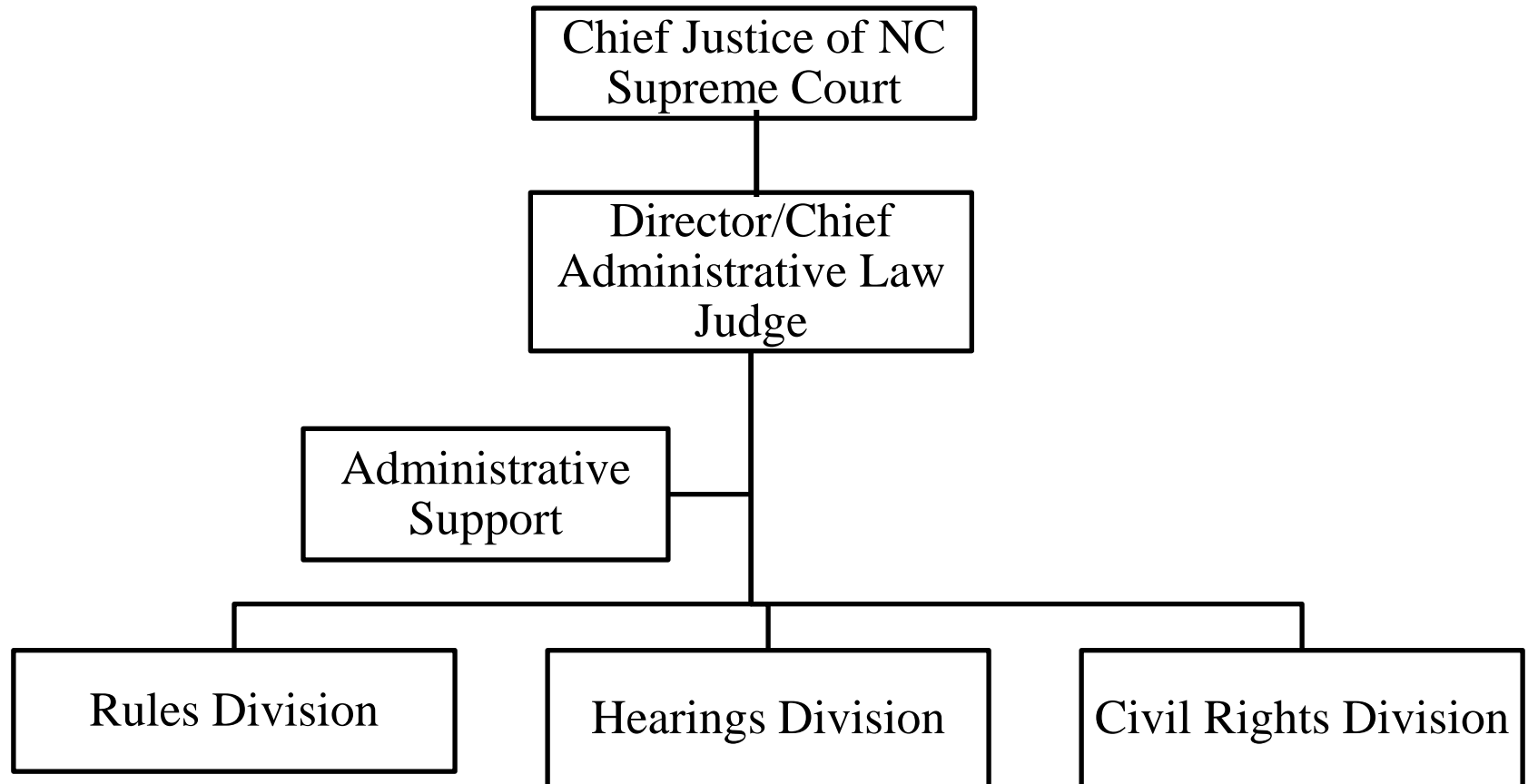
Designated Deferral Agency For:

- Civil Rights Act of 1964, Age Discrimination in Employment Act, and Americans with Disability Act for State and Local Government Employees covered under G.S. 126

Mission Statement

“To serve the citizens of North Carolina, with quality and efficiency, by providing an independent forum for prompt and impartial resolution of administrative law contested cases involving citizens and state agencies; investigating alleged acts of unlawful employment practices in state government; functioning as the State’s codifier and publisher of all administrative rules; and reviewing rules before the Rules Review Commission”.

Office of Administrative Hearings Organization Chart

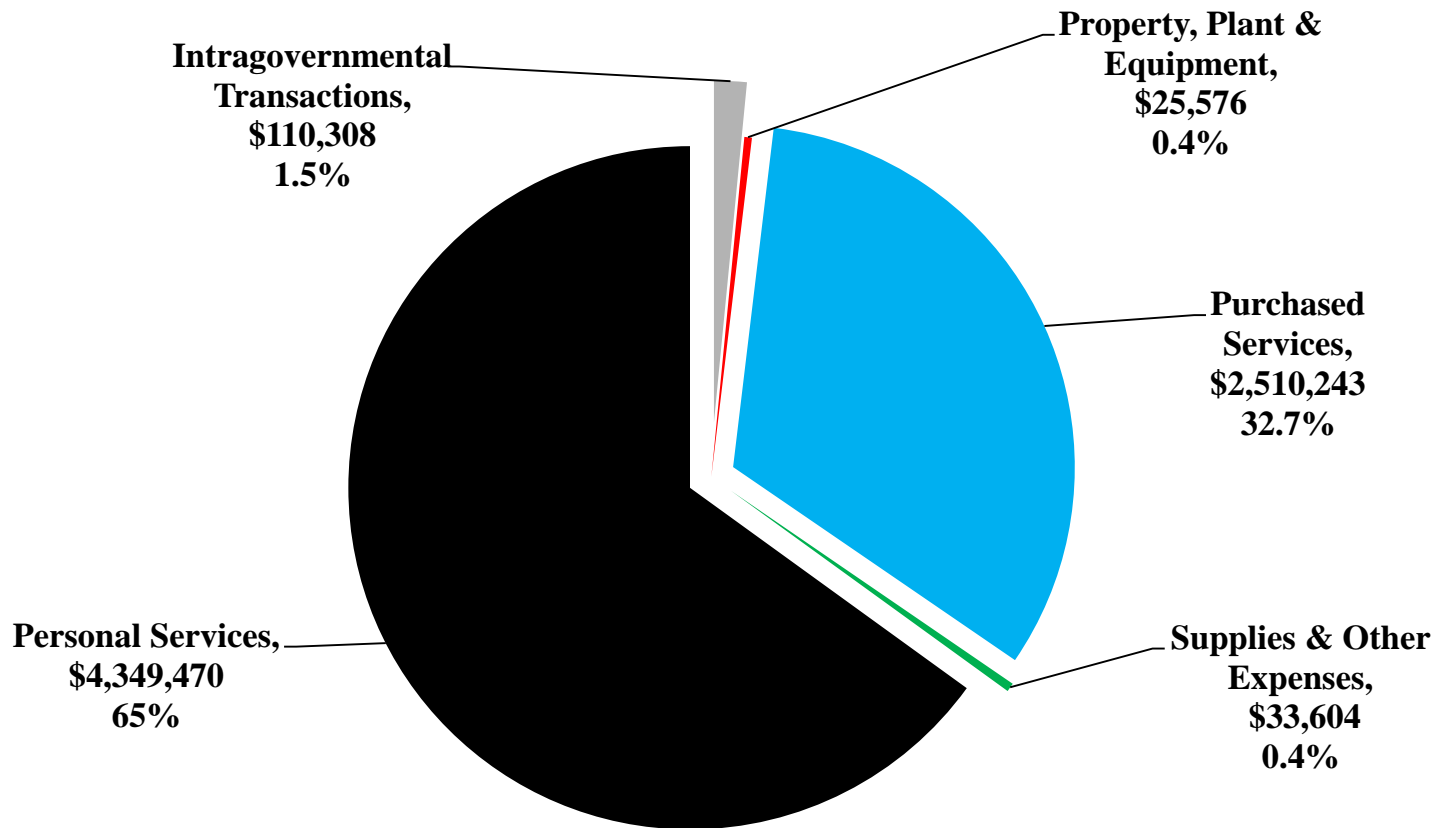


Office of Administrative Hearings

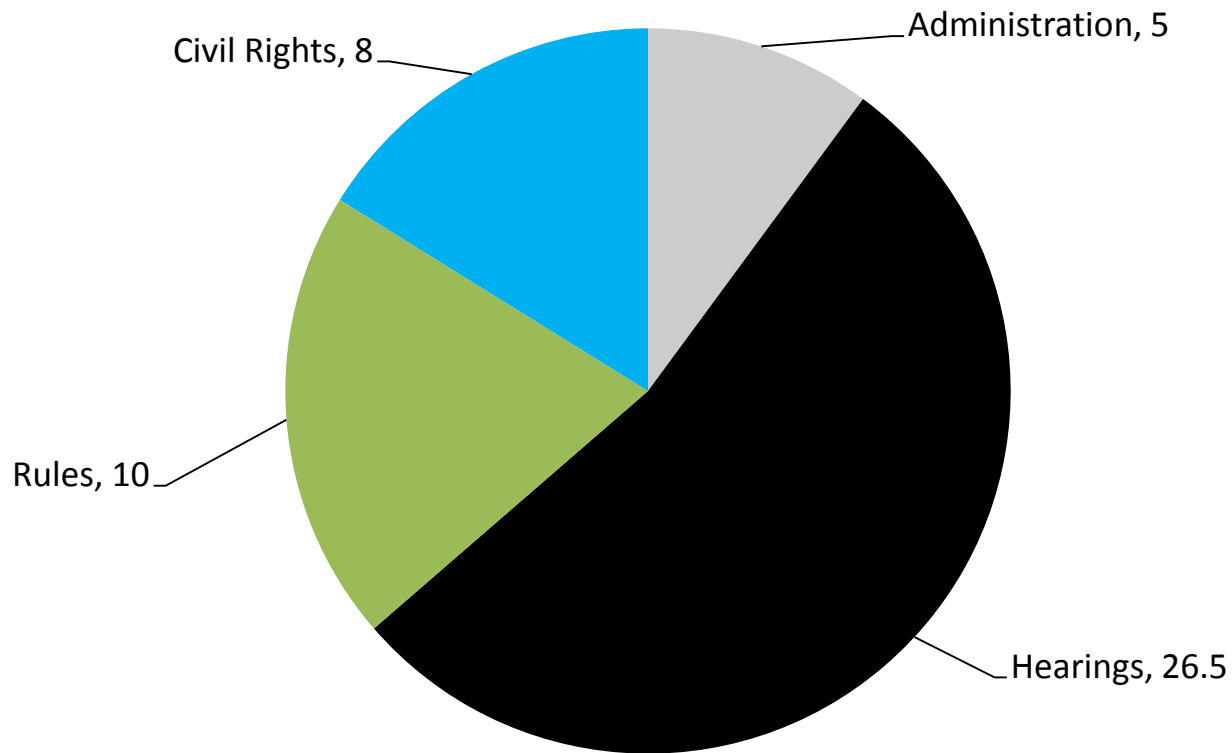
Five-Year Budget History

Budget	Actual FY 2013-14	Actual FY 2014-15	Actual FY 2015-16	Authorized FY 2016-17	Total Base FY 2017-18
Requirements	\$6,474,345	\$6,089,142	\$6,697,779	\$7,124,771	\$7,150,460
Receipts	\$2,312,502	\$1,726,780	\$1,937,775	\$1,796,203	\$1,796,203
Appropriation	\$4,161,843	\$4,362,362	\$4,760,004	\$5,328,568	\$5,354,257
Certified FTEs	45	46	46	49.5	49.5

Office of Administrative Hearings Base Budget, FY 2017-18



Office of Administrative Hearings Base Budget FTEs, FY 2017-18



Rules Division

- Administers Rule Making Process Throughout State Government
- Staffs Rules Review Commission
- Publishes the North Carolina Register and the North Carolina Administrative Code

What is a Rule?

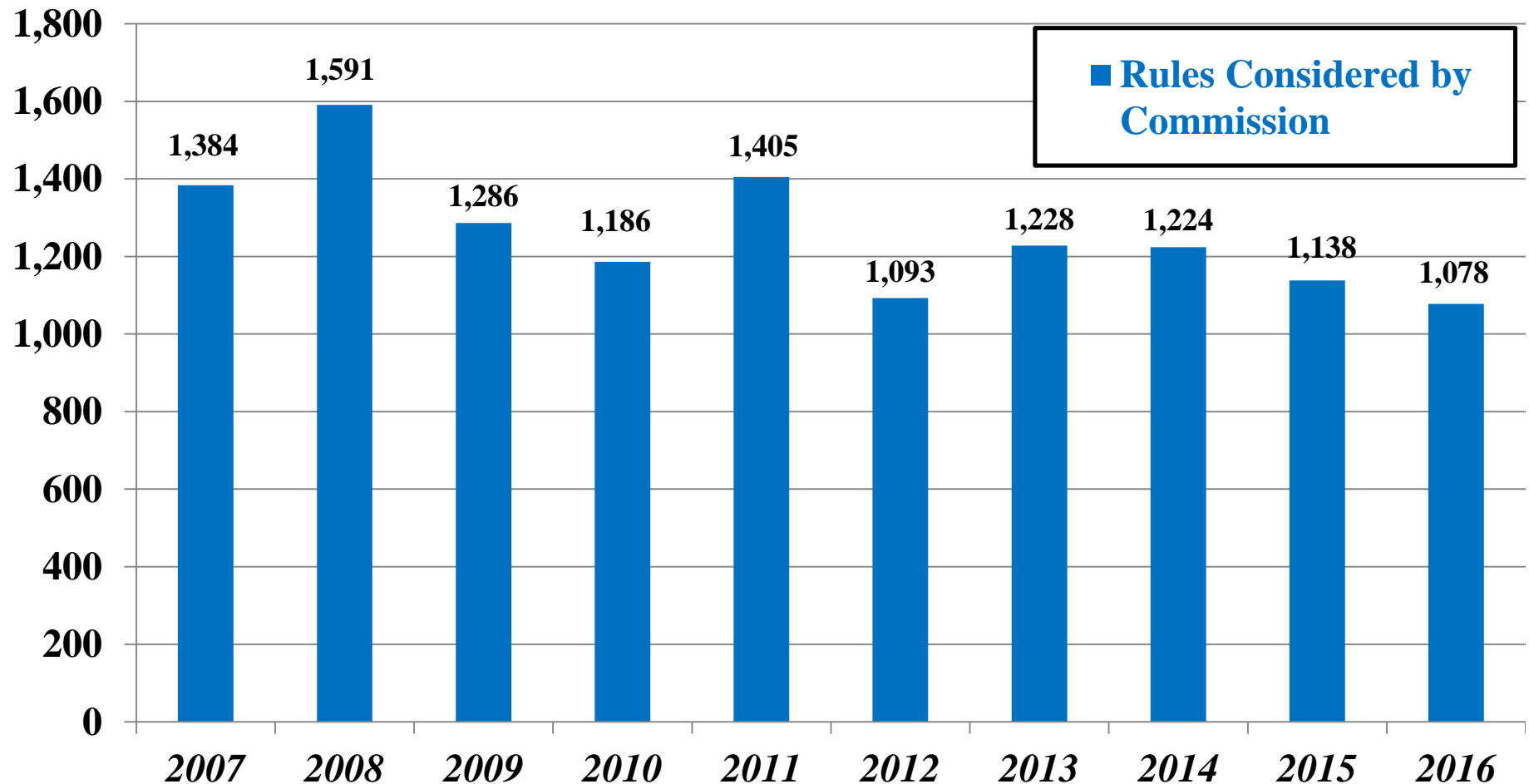
- Any agency regulation, standard or statement of general applicability that implements or interprets an enactment of the General Assembly or Congress or a regulation adopted by a federal agency or that describes the procedure or practice requirements of an agency. The term includes the establishment of a fee and the amendment or repeal of a prior rule.

Rules Review Commission

- The General Assembly appoints a 10 person Commission established under G.S. 143B-30.1
- The Commission reviews and approves rules that meet all of the following:
 - Proposed rule is within the Agency's authority
 - Proposed rule is clear and unambiguous
 - Proposed rule is reasonably necessary to implement or interpret an enactment of the General Assembly, Congress, or a regulation of a federal agency

Rules Division

Rules Considered by Commission



Hearings Division

Responsible for hearing
Contested Cases under G.S.
150B:

- 11 Administrative Law Judges
- Offices in Raleigh, High Point, Charlotte and Waynesville



What is a Contested Case?

A Petitioner may file a contested case if they feel an Agency has:

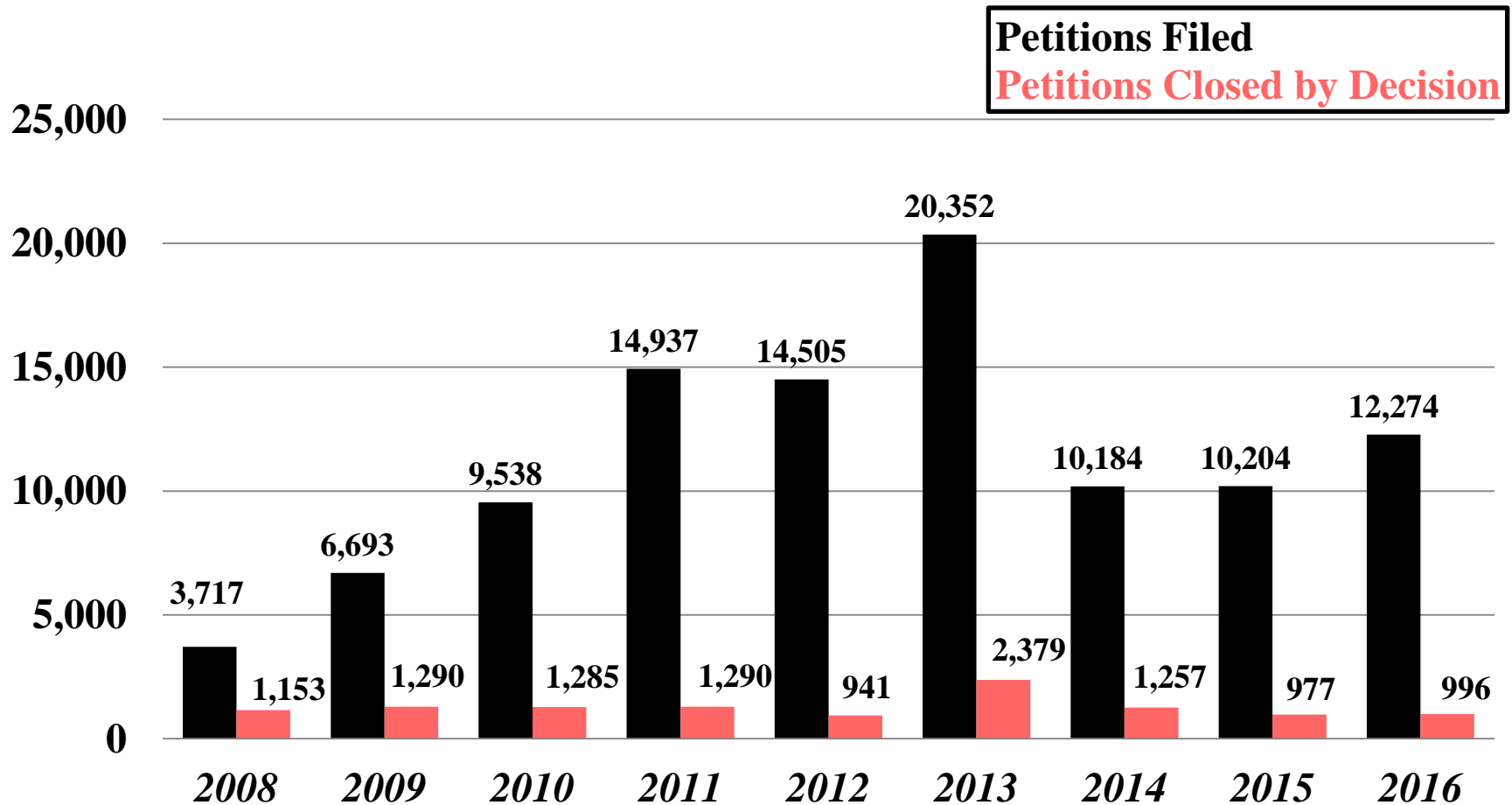
- Deprived them of property
- Ordered them to pay a fine or civil penalty unjustly
- Substantially prejudiced their rights

What is a Contested Case?

- The Petitioner must prove that the Agency:
 - Exceeded its authority or jurisdiction
 - Acted erroneously
 - Failed to use proper procedure
 - Acted arbitrarily or capriciously
 - Failed to act as required by law or rule

Hearings Division

Contested Case Petitions



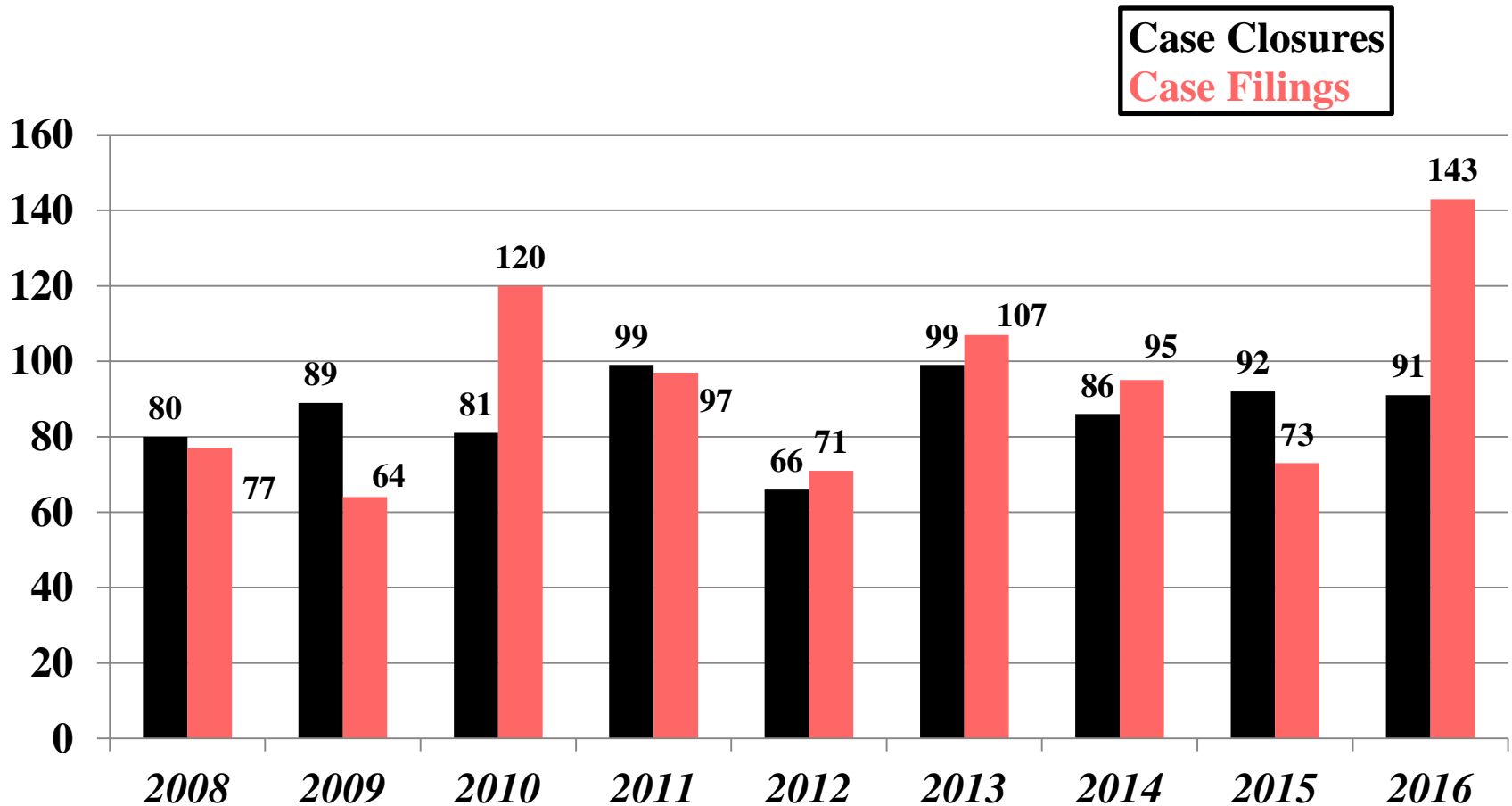
Civil Rights Division

- The Civil Rights Division investigates claims of employment discrimination by state or county employees against agencies.
- Performs comprehensive investigation of charges
 - Title VII
 - the Americans with Disabilities Act (ADA)
 - the Age Discrimination Employment Act (ADEA)

Civil Rights Division

- Investigative Findings Report
- Determination of Probable Cause
- Options for charging party
 - Finding With Probable Cause
 - Finding With No Probable Cause

Civil Rights Division Case Filing Statistics



Recent Legislative Actions

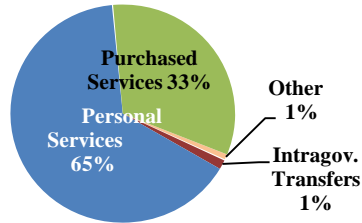
SL 2015-241 established the following items:

- An additional Administrative Law Judge in Waynesville, NC
- Provided for the appointment of the Codifier of Rules

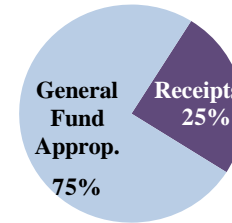
OFFICE OF ADMINISTRATIVE HEARINGS

Base Budget Review

FY 2017-19 Base - Expenditures



FY 2017-19 Base - Source of Funds



Requirements	Actual FY 2015-16	Certified FY 2016-17	Authorized FY 2016-17	Increase/ (Decrease) FY 2017-18	Total Base FY 2017-18	Increase/ (Decrease) FY 2018-19	Total Base FY 2018-19
Personal Services	\$3,985,363	\$4,400,397	\$4,634,431	\$15,348	\$4,649,779	\$15,348	\$4,649,779
Purchased Services	\$2,457,556	\$2,510,243	\$2,289,990	\$45,175	\$2,335,165	\$45,175	\$2,335,165
Supplies	\$14,338	\$26,698	\$22,726	\$0	\$22,726	\$0	\$22,726
Property, Plant, Equipment	\$72,733	\$25,576	\$25,576	\$0	\$25,576	\$0	\$25,576
Other Expenses/Adjustments	\$57,481	\$6,906	\$6,906	\$0	\$6,906	\$0	\$6,906
Reserves	\$0	\$34,834	\$34,834	(\$34,834)	\$0	(\$34,834)	\$0
Intragovernmental Transfers	\$110,308	\$110	\$110,308	\$0	\$110,308	\$0	\$110,308
TOTAL REQUIREMENTS	\$6,697,779	\$7,004,764	\$7,124,771	\$25,689	\$7,150,460	\$25,689	\$7,150,460
Receipts	Actual FY 2015-16	Certified FY 2016-17	Authorized FY 2016-17	Increase/ (Decrease) FY 2017-18	Total Base FY 2017-18	Increase/ (Decrease) FY 2018-19	Total Base FY 2018-19
Sales, Services, Rental	\$67,304	\$54,859	\$50,866	\$0	\$50,866	\$0	\$50,866
Fees, Licenses, Fines	\$24,475	\$0	\$1,100	\$0	\$1,100	\$0	\$1,100
Intragovernmental Transfers	\$1,845,996	\$1,731,535	\$1,744,237	\$0	\$1,744,237	\$0	\$1,744,237
TOTAL RECEIPTS	\$1,937,775	\$1,786,394	\$1,796,203	\$0	\$1,796,203	\$0	\$1,796,203
NET APPROPRIATION	\$4,760,004	\$5,328,568	\$5,328,568	\$25,689	\$5,354,257	\$25,689	\$5,354,257
FTE	46	46	49.5	0	49.5	0	49.5

Office of Administrative Hearings



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Fiscal Research

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